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7 Attorneys for Plaintiffs
SABRA HEALTH CARE
8 HOLDINGS V, LLC; SABRA
BEDFORD HILLS, LLC; SABRA
9 HEALTH CARE NORTHEAST,
LLC; LANGDON PLACE OF
10 DOVER; LANGDON PLACE OF
KEENE LIMITED PARTNERSHIP;
11 and L.P.E.

12
13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA – SOUTHERN DIVISION**
15

16 SABRA HEALTH CARE HOLDINGS
V, LLC, a limited liability company
17 registered in Delaware; SABRA
BEDFORD HILLS, LLC, a limited
18 liability company registered in Delaware;
SABRA HEALTH CARE NORTHEAST,
19 LLC, a limited liability company
registered in Delaware; LANGDON
20 PLACE OF DOVER, a New Hampshire
general partnership; LANGDON PLACE
21 OF KEENE LIMITED PARTNERSHIP,
a New Hampshire limited partnership; and
22 L.P.E., a New Hampshire general
partnership,
23

24 Plaintiffs,

25 vs.

26 GENESIS HEALTHCARE, INC., a
Delaware corporation; and DOES 1-10,
27
28

Defendant.

CASE NO.:

**COMPLAINT FOR BREACH OF
CONTRACT**

[DEMAND FOR JURY TRIAL]

1 Plaintiffs Sabra Health Care Holdings V, LLC (“SHCHV”) Sabra Bedford
 2 Hills, LLC (“SBH”); Sabra Health Care Northeast, LLC (“SHCN”); Langdon Place
 3 of Dover (“LP Dover”); Langdon Place of Keene Limited Partnership (“LP Keene”);
 4 and L.P.E. (collectively, “Plaintiffs”) allege:

5 **INTRODUCTION**

6 1. Plaintiffs, all of them, are subsidiaries wholly owned and operated by
 7 Sabra Health Care REIT, Inc. (“Sabra REIT”), a Maryland Corporation with its
 8 headquarters in Irvine, California.

9 2. Plaintiffs are landlords under six commercial leases. Defendant is the
 10 guarantor under the Guaranty of Lease, as amended and restated if applicable (the
 11 “Guaranty”), corresponding to each lease. Though the obligations under each lease
 12 are separate and distinct, the terms of the Guaranty for each lease are identical. The
 13 tenants have defaulted on their obligations to pay rent and other related sums owed
 14 under their respective leases. As the Guarantor, Defendant is obligated to fulfill the
 15 tenants’ obligations in this regard.

16 3. Plaintiffs are informed and believe, and based thereon allege, that
 17 Defendant is the parent corporation for each tenant and all rents are paid from a single
 18 bank account.

19 4. On June 12, 2023, Plaintiffs sent notices of default to Defendant
 20 demanding that Defendant fulfill its contractual obligations as the Guarantor.
 21 Defendant failed to do so. Plaintiffs therefore seek all remedies available under each
 22 respective Guaranty.

23 **PARTIES**

24 5. Plaintiffs SHCHV is limited liability company¹ registered in Delaware
 25 and a third-tier subsidiary of Sabra REIT. SHCHV’s sole member is Sabra Health
 26 Care I, LLC, a limited liability company registered in Delaware. Sabra Health Care

27 ¹ For purposes of diversity jurisdiction, a limited liability company is a citizen of every state of which its members
 28 are citizens. *Johnson v. Columbia Properties Anchorage, LP*, 437 F.3d 894, 899 (9th Cir., 2006).

1 I, LLC's sole member is Sabra Health Care Limited Partnership, a limited
 2 partnership² registered in Delaware, whose sole limited partner is Sabra Health Care,
 3 L.L.C., a limited liability company registered in Delaware, and whose general partner
 4 is Sabra REIT. Sabra Health Care, L.L.C.'s sole member is Sabra REIT.

5 6. Plaintiff SBH is a limited liability company registered in Delaware and
 6 a fourth-tier subsidiary of Sabra REIT. SBH's sole member is Sabra Health Care II,
 7 LLC, a limited liability company registered in Delaware. Sabra Health Care II, LLC's
 8 sole member is Sabra Health Care I, LLC. Sabra Health Care I, LLC's sole member
 9 is Sabra Health Care Limited Partnership, whose sole limited partner is Sabra Health
 10 Care, L.L.C., and whose general partner is Sabra REIT. Sabra Health Care, L.L.C.'s
 11 sole member is Sabra REIT.

12 7. Plaintiff SHCN is a limited liability company registered in Delaware
 13 and a second-tier subsidiary of Sabra REIT. SHCN's sole member is Sabra Health
 14 Care Limited Partnership, whose limited partner is Sabra Health Care, L.L.C., and
 15 whose general partner is Sabra REIT. Sabra Health Care, L.L.C.'s sole member is
 16 Sabra REIT.

17 8. Plaintiff LP Dover is a general partnership registered in New Hampshire
 18 and a fourth-tier subsidiary of Sabra REIT. LP Dover's partners are Sabra Health
 19 Care Holdings II, LLC and Sabra Health Care Holdings I, LLC. Sabra Health Care
 20 II, LLC's sole member is Sabra Health Care I, LLC. Sabra Health Care I, LLC's sole
 21 member is Sabra Health Care Limited Partnership, whose sole limited partner is
 22 Sabra Health Care, L.L.C., and whose general partner is Sabra REIT. Sabra Health
 23 Care, L.L.C.'s sole member is Sabra REIT.

24 9. Plaintiff LP Keene is a limited partnership registered in New Hampshire
 25 and a fourth-tier subsidiary of Sabra REIT. LP Keene's limited partner is Sabra
 26 Health Care Holdings II, LLC and general partner is Sabra Health Care Holdings I,

27 ² Like limited liability companies, limited partnerships are citizen of every state of which its owners/members are
 28 citizens. *Id.* Corporate citizenship rules do not apply to limited partnerships. *Great S. Fire Proof Hotel Co. v. Jones*,
 177 U.S. 449, 456-57 (1900).

1 LLC. Sabra Health Care II, LLC's sole member is Sabra Health Care I, LLC. Sabra
 2 Health Care I, LLC's sole member is Sabra Health Care Limited Partnership, whose
 3 sole limited partner is Sabra Health Care, L.L.C., and whose general partner is Sabra
 4 REIT. Sabra Health Care, L.L.C.'s sole member is Sabra REIT.

5 10. Plaintiff L.P.E. is a New Hampshire general partnership and a fourth-
 6 tier subsidiary of Sabra REIT. L.P.E.'s partners are Sabra Health Care Holdings II,
 7 LLC and Sabra Health Care Holdings I, LLC. Sabra Health Care II, LLC's sole
 8 member is Sabra Health Care I, LLC. Sabra Health Care I, LLC's sole member is
 9 Sabra Health Care Limited Partnership, whose sole limited partner is Sabra Health
 10 Care, L.L.C., and whose general partner is Sabra REIT. Sabra Health Care, L.L.C.'s
 11 sole member is Sabra REIT.

12 11. Plaintiffs, each of them, are citizens of the states of Maryland and
 13 California, by virtue of Sabra REIT's ownership. For the Court's convenience,
 14 Plaintiffs' Legal Entity Organizational Chart is attached hereto and incorporated
 15 herein by this reference as Exhibit A.

16 12. Defendant Genesis Healthcare, Inc. ("Genesis" or "Defendant") is a
 17 Delaware corporation with its principal place of business in Pennsylvania.

18 13. Plaintiffs are informed and believe, and based thereon allege, that
 19 Defendants 1-10 are, and at all times relevant herein were natural persons or legal
 20 entities who are, the agents, principals, partners, coconspirators and/or co-venturers
 21 of each other, and of defendants, that each of these factiously-named defendants acted
 22 within the course, scope and authority of said relationships, and that, as a result, are
 23 jointly and severally liable to Plaintiffs for the acts alleged herein.

24 14. Plaintiffs allege that they are presently ignorant of the true names and
 25 the specific nature of the involvement of each of these fictitiously-named Defendants
 26 which is presently unknown to Plaintiffs; when the same can be determined, Plaintiffs
 27 will amend their complaint to allege the identity and involvement of those persons
 28 and entities.

1 15. At all times herein mentioned, each of the defendants named in the
 2 caption of this Complaint, which is incorporated herein by this reference, was and is
 3 the agent, servant and employee of each of the other defendants, and all of the things
 4 alleged to have been done by said defendants were done in the capacity of and as
 5 agent of the other defendants.

6 **JURISDICTION AND VENUE**

7 16. This Court has subject matter jurisdiction over this case under 28
 8 U.S.C. § 1332 because there is complete diversity among the parties and the amount
 9 in controversy, without interest and costs, exceeds \$75,000.

10 17. The Court has personal jurisdiction over Defendant because, on
 11 information and belief it purposefully directed activities toward the State of
 12 California, availed itself of the protections of its laws, including by conducting
 13 business within Orange County, and contractually consented to be subject to the
 14 jurisdiction of this Court.

15 18. Venue is proper in the United States District Court for the Central
 16 District of California under 28 U.S.C. §§ 1391(b) and 1391(c).

17 **FIRST CLAIM FOR RELIEF**

18 **Breach of HUD-3 Guaranty**

19 **(By SHCHV Against Defendant)**

20 19. Plaintiff realleges and incorporates by this reference each and every
 21 allegation contained in paragraphs 1 through 18, inclusive, of this Complaint, as
 22 though set forth fully in this Claim for Relief.

23 20. SHCHV is landlord under the lease described by the parties as follows
 24 (“HUD-3 Lease”)³:

25 [T]hat certain Master Lease dated as of September 29,
 26 2015, by and among SABRA HEALTH CARE
 27 HOLDINGS V, LLC, a Delaware limited liability
 28 company (“Landlord”), as landlord, and GENESIS ORION

³ The HUD-3 lease cover three separate properties known as: Mineral Springs, Wolfeboro, and Langdon Place of Nashua.

1 OPERATIONS LLC, a New Hampshire limited liability
 2 company (as "Tenant"), as tenant, as amended by (i) that
 3 certain First Amendment to Master Lease dated as of July
 4 29, 2016; (ii) that certain Second Amendment to Master
 Lease dated as of May 5, 2017; and that certain Third
 Amendment to Master Lease dated as of March 6, 2018 (as
 amended, the "Lease").

5 21. Defendant is the Guarantor of the HUD-3 Lease under the
 6 corresponding guaranty described by the parties as follows ("HUD-3 Guaranty"):

7
 8 [T]hat certain Second Amended and Restated Guaranty of
 9 Master Lease dated as of May 5, 2017, executed by
 10 GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare
 Group, Inc.), a Delaware corporation ("Guarantor"), as
 subsequently amended...

11 A true and correct copy of the HUD-3 Guaranty is attached hereto as Exhibit B.

12 22. Section 1 of each Guaranty requires Defendant to perform or cause to
 13 be performed all provisions of the lease to be performed by the tenant:

14
 15 Guaranty. In consideration of the benefit derived or to be
 16 derived by it therefrom, as to the Lease, effective as of the
 17 Effective Date with respect to Obligations (as hereinafter
 18 defined) arising from and after the Commencement Date,
 19 Guarantor hereby jointly and severally, unconditionally,
 20 and irrevocably guarantees (i) the payment when due of all
 21 rent and all other sums payable by Tenant under the Lease,
 22 and (ii) the faithful and prompt performance when due of
 23 each and every one of the terms, conditions and covenants
 24 to be kept and performed by Tenant under the Lease, and
 25 any and all amendments, modifications, extensions and
 26 renewals of the Lease, including without limitation all
 27 indemnification obligations, insurance obligations, and all
 28 obligations to operate, rebuild, restore or replace any
 Facility or improvements now or hereafter located at the
 Facility (collectively, the "Obligations"). In the event of
 the failure of Tenant to pay any such rent or other sums, or
 to render any other performance required of Tenant under
 the Lease, when due or within any applicable cure period,
 Guarantor shall forthwith perform or cause to be performed
 all provisions of the Lease to be performed by Tenant
 thereunder, and pay all reasonable costs of collection or
 enforcement and other damages that may result from the
 non-performance thereof to the full extent provided under
 the Lease. As to the Obligations, Guarantor's liability under
 this Guaranty is without limit.

23. Under Section 3, the parties to each Guaranty agreed that Plaintiffs could proceed with an action against Defendant as Guarantor without first being required to pursue the tenants. In other words, Defendant has primary liability with respect to the tenants' obligations under each lease:

Primary Liability. The liability of Guarantor with respect to the Lease shall be primary, direct and immediate, and Landlord may proceed against any Guarantor: (a) prior to or in lieu of proceeding against Tenant, its assets, any security deposit, or any other guarantor; and (b) prior to or in lieu of pursuing any other rights or remedies available to Landlord. All rights and remedies afforded to Landlord by reason of this Guaranty or by law are separate, independent and cumulative, and the exercise of any rights or remedies shall not in any way limit, restrict or prejudice the exercise of any other rights or remedies.

In the event of any default under the Lease, a separate action or actions may be brought and prosecuted against Guarantor whether or not Tenant is joined therein or a separate action or actions are brought against Tenant. Landlord may maintain successive actions for other defaults. Landlord's rights hereunder shall not be exhausted by its exercise of any of its rights or remedies or by any such action or by any number of successive actions until and unless all indebtedness and Obligations the payment and performance of which are hereby guaranteed have been paid and fully performed.

24. Finally, under Section 15(e) the parties to each Guaranty agreed that if litigation was required to enforce any right or obligation arising under the Guaranty, the prevailing party would be entitled to its attorney's fees and costs:

In the event of any suit, action, arbitration or other proceeding to interpret this Guaranty, or to determine or enforce any right or obligation created hereby, the prevailing party in the action shall recover such party's reasonable costs and expenses incurred in connection therewith, including, but not limited to, reasonable attorneys' fees and costs of appeal, post judgment enforcement proceedings (if any) and bankruptcy proceedings (if any).

25. SHCHV has performed all the promises, covenants, and conditions it agreed to perform in accordance with the terms of the HUD-3 Guaranty, except for those promises, covenants, and conditions excused by the acts or omissions of

1 Defendant.

2 26. On June 12, 2023, Plaintiff sent a “Notice of Event of Default, Demand
3 for Payment under Lease and Reservation of Rights,” to the tenant and Defendant, as
4 Guarantor, indicating that certain events of default had occurred, including, but not
5 limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate
6 tax impounds and other impound deposits required under the HUD-3 Lease, for a
7 total amount due in owing of \$772,621.99.

8 27. Defendant breached the HUD-3 Guaranty by failing to cure the tenant’s
9 default within ten days of service of the notice, as required under Section 9 of the
10 HUD-3 Guaranty.

11 28. As a result of Defendant’s breach of the HUD-3 Guaranty, SHCHV has
12 been damaged in a sum of not less than \$1,415,653.81, which includes base rent,
13 escrows, late fees, and interest through August 1, 2023.

14 29. The HUD-3 Guaranty provides that Plaintiff is entitled to its reasonable
15 attorneys’ fees and related legal expenses, costs of collection, and costs of court,
16 incurred in enforcing its rights thereunder and pursuing this action. Plaintiff has
17 employed the law firm of Buchalter, a Professional Corporation, for the purpose of
18 instituting and prosecuting this action.

19 **SECOND CLAIM FOR RELIEF**

20 **Breach of Bedford Hills Guaranty**

21 **(By SBH Against Defendant)**

22 30. Plaintiff realleges and incorporates by this reference each and every
23 allegation contained in paragraphs 1 through 29, inclusive, of this Complaint, as
24 though set forth fully in this Claim for Relief.

25 31. SBH⁴ is landlord under the lease described by the parties as follows
26 (“Bedford Hills Lease”):

27 [T]hat certain Amended and Restated Lease dated as of
28 _____

⁴ Formally known as Harborside Northwood, LLC

November 3, 2010, by and between SABRA BEDFORD HILLS, LLC, a Delaware limited liability company (“Landlord”), as landlord, and HARBORSIDE NEW HAMPSHIRE LIMITED PARTNERSHIP, a Massachusetts limited partnership (as “Tenant”), as tenant, as amended by (i) that certain First Amendment to Amended and Restated Lease dated June 20, 2012; (ii) that certain Second Amendment to Amended and Restated Lease dated December 1, 2012; (iii) that certain Third Amendment to Amended and Restated Lease dated February 2, 2015; (iv) that certain Fourth Amendment to Amended and Restated Lease dated July 29, 2016; (v) that certain Fifth Amendment to Amended and Restated Lease dated May 5, 2017; and (vi) that certain Sixth Amendment to Amended and Restated Lease dated as of March 6, 2018 (as amended, the “Lease”).

32. Defendant is the Guarantor of the Bedford Hills Lease under the corresponding guaranty described by the parties as follows (“Bedford Hills Guaranty”):

[T]hat certain Third Amended and Restated Guaranty of Master Lease dated as of May 5, 2017, executed by GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare Group, Inc.), a Delaware corporation (“Guarantor”), as subsequently amended...

A true and correct copy of the Bedford Hills Guaranty is attached hereto as Exhibit C.

33. The operative terms of the Bedford Hills Guaranty are identical to those of the HUD-3 Guaranty. As such, SBH refers to paragraphs 20 through 24 and incorporates them herein by this reference.

34. SBH has performed all the promises, covenants, and conditions it agreed to perform in accordance with the terms of the Bedford Hills Guaranty, except for those promises, covenants, and conditions excused by the acts or omissions of Defendant.

35. On June 12, 2023, SBH sent a “Notice of Event of Default, Demand for Payment under Lease and Reservation of Rights,” to the tenant and Defendant, as Guarantor, indicating that certain events of default had occurred, including, but not

1 limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate
 2 tax impounds and other impound deposits required under the Bedford Hills Lease,
 3 for a total amount due in owing of \$442,239.62.

4 36. Defendant breached the Bedford Hills Guaranty by failing to cure the
 5 tenant's default within ten days of service of the notice, as required under Section 9
 6 of the Bedford Hills Guaranty.

7 37. As a result of Defendant's breach of the Bedford Hills Guaranty, SBH
 8 has been damaged in a sum of not less than \$740,740.63, which includes base rent,
 9 escrows, late fees, and interest through August 1, 2023.

10 38. The Bedford Hills Guaranty provides that Plaintiff is entitled to its
 11 reasonable attorneys' fees and related legal expenses, costs of collection, and costs
 12 of court, incurred in enforcing its rights thereunder and pursuing this action. Plaintiff
 13 has employed the law firm of Buchalter, a Professional Corporation, for the purpose
 14 of instituting and prosecuting this action.

15 **THIRD CLAIM FOR RELIEF**

16 **Breach of Elms Center Guaranty**

17 **(By SHCN Against Defendant)**

18 39. Plaintiff realleges and incorporates by this reference each and every
 19 allegation contained in paragraphs 1 through 38, inclusive, of this Complaint, as
 20 though set forth fully in this Claim for Relief.

21 40. SHCN is landlord under the lease described by the parties as follows
 22 ("Elms Center Lease")⁵:

23 [T]hat certain Master Lease dated as of November 3, 2010,
 24 by and among NEW HAMPSHIRE HOLDINGS, LLC, a
 25 Delaware limited liability company ("Landlord"), as
 26 landlord, and HARBORSIDE MASSACHUSETTS
 27 LIMITED PARTNERSHIP and HARBORSIDE NEW
 28 HAMPSHIRE LIMITED PARTNERSHIP, each a
 Massachusetts limited partnership (individually and
 collectively, as "Tenant"), as tenant, as amended by (i) that

⁵ The Elms Center Lease cover three separate properties, but only the Elms Center property is in default of its rental obligations.

1 certain First Amendment to Master Lease dated as of
 2 December 1, 2012; (ii) that certain Second Amendment to
 3 Master Lease dated February 2, 2015; (iii) that certain
 4 Third Amendment to Master Lease dated July 29, 2016;
 5 (iv) that certain Fourth Amendment to Master Lease dated
 6 April 1, 2017; (v) that certain Fifth Amendment to Master
 7 Lease dated May 5, 2017; (vi) that certain Sixth
 8 Amendment to Master Lease dated March 6, 2018; (vii)
 9 that certain Seventh Amendment to Master Lease dated
 10 April 1, 2018; (viii) that certain Eighth Amendment to
 11 Master Lease dated June 1, 2018; (ix) that certain Ninth
 12 Amendment to Master Lease dated June 29, 2018; (x) that
 13 certain Tenth Amendment to Master Lease dated
 14 December 12, 2018; and (xi) that certain Eleventh
 15 Amendment to Master Lease dated as of December 21,
 16 2018 (as amended, the "Lease").

17 41. Defendant is the Guarantor of the Elms Center Lease under the
 18 corresponding guaranty described by the parties as follows ("Elms Center
 19 Guaranty"):

20 [T]hat certain Third Amended and Restated Guaranty of
 21 Master Lease dated as of May 5, 2017, executed by
 22 GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare
 23 Group, Inc.), a Delaware corporation ("Guarantor"), as
 24 subsequently amended...

25 A true and correct copy of the Elms Center Guaranty is attached hereto as Exhibit D.

26 42. New Hampshire Holdings, LLC is SHCN's predecessor in interest, and
 27 assigned all rights, title and interest in the Elms Center Lease and Elms Center
 28 Guaranty to SHCN on June 1, 2019.

43. The operative terms of the Elms Center Guaranty are identical to those
 of the HUD-3 Guaranty. As such, SHCN refers to paragraphs 20 through 24 and
 incorporates them herein by this reference.

44. SHCN has performed all the promises, covenants, and conditions it
 agreed to perform in accordance with the terms of the Elms Center Guaranty, except
 for those promises, covenants, and conditions excused by the acts or omissions of
 Defendant.

45. On June 12, 2023, SHCN sent a "Notice of Event of Default, Demand

1 for Payment under Lease and Reservation of Rights,” to the tenant and Defendant, as
 2 Guarantor, indicating that certain events of default had occurred, including, but not
 3 limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate
 4 tax impounds and other impound deposits required under the Elms Center Lease, for
 5 a total amount due in owing of \$857,001.84.

6 46. Defendant breached the Elms Center Guaranty by failing to cure the
 7 tenant’s default within ten days of service of the notice, as required under Section 9
 8 of the Elms Center Guaranty.

9 47. As a result of Defendant’s breach of the Elms Center Guaranty, SHCN
 10 has been damaged in a sum of not less than \$1,827,805.81, which includes base rent,
 11 escrows, late fees, and interest through August 1, 2023.

12 48. The Elms Center Guaranty provides that Plaintiff is entitled to its
 13 reasonable attorneys’ fees and related legal expenses, costs of collection, and costs
 14 of court, incurred in enforcing its rights thereunder and pursuing this action. Plaintiff
 15 has employed the law firm of Buchalter, a Professional Corporation, for the purpose
 16 of instituting and prosecuting this action.

17 **FOURTH CLAIM FOR RELIEF**

18 **Breach of Dover Guaranty**

19 **(By LP Dover Against Defendant)**

20 49. Plaintiff realleges and incorporates by this reference each and every
 21 allegation contained in paragraphs 1 through 48, inclusive, of this Complaint, as
 22 though set forth fully in this Claim for Relief.

23 50. LP Dover is landlord under the lease described by the parties as follows
 24 (“Dover Lease”):

25 [T]hat certain Amended and Restated Lease dated as of
 26 November 3, 2010, by and between LANGDON PLACE
 27 OF DOVER, a New Hampshire general partnership
 28 (“Landlord”), as landlord, and SUNBRIDGE
 HEALTHCARE, LLC, a New Mexico limited liability
 company (as “Tenant”), as tenant, as amended by (i) that
 certain First Amendment to Amended and Restated Lease

1 dated June 20, 2012; (ii) that certain Second Amendment
 2 to Amended and Restated Lease dated December 1, 2012;
 3 (iii) that certain Third Amendment to Amended and
 4 Restated Lease dated February 2, 2015; (iv) that certain
 5 Fourth Amendment to Amended and Restated Lease dated
 6 July 29, 2016; (v) that certain Fifth Amendment t Amended
 7 and Restated Lease dated May 5, 2017; and (vi) that certain
 8 Sixth Amendment to Amended and Restated Lease dated
 9 as of March 6, 2018 (as amended, the "Lease").

10 51. Defendant is the Guarantor of the Dover Lease under the corresponding
 11 guaranty described by the parties as follows ("Dover Guaranty"):

12 [T]hat certain Third Amended and Restated Guaranty of
 13 Master Lease dated as of May 5, 2017, executed by
 14 GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare
 15 Group, Inc.), a Delaware corporation ("Guarantor")...

16 A true and correct copy of the Dover Guaranty is attached hereto as Exhibit E.

17 52. The operative terms of the Dover Guaranty are identical to those of the
 18 HUD-3 Guaranty. As such, LP Dover refers to paragraphs 20 through 24 and
 19 incorporates them herein by this reference.

20 53. LP Dover has performed all the promises, covenants, and conditions it
 21 agreed to perform in accordance with the terms of the Dover Guaranty, except for
 22 those promises, covenants, and conditions excused by the acts or omissions of
 23 Defendant.

24 54. On June 12, 2023, LP Dover sent a "Notice of Event of Default, Demand
 25 for Payment under Lease and Reservation of Rights," to the tenant and Defendant, as
 26 Guarantor, indicating that certain events of default had occurred, including, but not
 27 limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate
 28 tax impounds and other impound deposits required under the Dover Lease, for a total
 amount due in owing of \$475,670.98.

55. Defendant breached the Dover Guaranty by failing to cure the tenant's
 default within ten days of service of the notice, as required under Section 9 of the
 Dover Guaranty.

56. As a result of Defendant's breach of the Dover Guaranty, LP Dover has

1 been damaged in a sum of not less than \$839,370.82, which includes base rent,
2 escrows, late fees, and interest through August 1, 2023.

3 57. The Dover Guaranty provides that Plaintiff is entitled to its reasonable
4 attorneys' fees and related legal expenses, costs of collection, and costs of court,
5 incurred in enforcing its rights thereunder and pursuing this action. Plaintiff has
6 employed the law firm of Buchalter, a Professional Corporation, for the purpose of
7 instituting and prosecuting this action.

8 **FIFTH CLAIM FOR RELIEF**

9 **Breach of LP Keene Guaranty**

10 **(By LP Keene Against Defendant)**

11 58. Plaintiff realleges and incorporates by this reference each and every
12 allegation contained in paragraphs 1 through 57, inclusive, of this Complaint, as
13 though set forth fully in this Claim for Relief.

14 59. LP Keene is landlord under the lease described by the parties as follows
15 ("Keene Lease"):

16 [T]hat certain Amended and Restated Lease dated as of
17 November 3, 2010, by and between LANGDON PLACE
18 OF KEENE LIMITED PARTNERSHIP, a New
19 Hampshire limited partnership ("Landlord"), as landlord,
20 and SUNBRIDGE HEALTHCARE, LLC, a New Mexico
21 limited liability company (as "Tenant"), as tenant, as
22 amended by (i) that certain First Amendment to Amended
23 and Restated Lease dated June 20, 2012; (ii) that certain
24 Second Amendment to Amended and Restated Lease dated
December 1, 2012; (iii) that certain Third Amendment to
Amended and Restated Lease dated February 2, 2015; (iv)
that certain Fourth Amendment to Amended and Restated
Lease dated July 29, 2016; (v) that certain Fifth
Amendment to Amended and Restated Lease dated May 5,
2017; and (vi) that certain Sixth Amendment to Amended
and Restated Lease dated as of March 6, 2018 (as amended,
the "Lease").

25 60. Defendant is the Guarantor of the Keene Lease under the corresponding
26 guaranty described by the parties as follows ("Keene Guaranty"):

27 [T]hat certain Third Amended and Restated Guaranty of
28 Master Lease dated as of May 5, 2017, executed by
GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare

1 Group, Inc.), a Delaware corporation (“Guarantor”), as
2 subsequently amended...

3 A true and correct copy of the Keene Guaranty is attached hereto as Exhibit F.

4 61. The operative terms of the Keene Guaranty are identical to those of the
5 HUD-3 Guaranty. As such, LP Keene refers to paragraphs 20 through 24 and
6 incorporates them herein by this reference.

7 62. LP Keene has performed all the promises, covenants, and conditions it
8 agreed to perform in accordance with the terms of the Keene Guaranty, except for
9 those promises, covenants, and conditions excused by the acts or omissions of
10 Defendant.

11 63. On June 12, 2023, LP Keene sent a “Notice of Event of Default, Demand
12 for Payment under Lease and Reservation of Rights,” to the tenant and Defendant, as
13 Guarantor, indicating that certain events of default had occurred, including, but not
14 limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate
15 tax impounds and other impound deposits required under the Keene Lease, for a total
16 amount due in owing of \$331,106.16.

17 64. Defendant breached the Keene Guaranty by failing to cure the tenant’s
18 default within ten days of service of the notice, as required under Section 9 of the
19 Keene Guaranty.

20 65. As a result of Defendant’s breach of the Keene Guaranty, LP Keene has
21 been damaged in a sum of not less than \$588,305.79, which includes base rent,
22 escrows, late fees, and interest through August 1, 2023.

23 66. The Keene Guaranty provides that Plaintiff is entitled to its reasonable
24 attorneys’ fees and related legal expenses, costs of collection, and costs of court,
25 incurred in enforcing its rights thereunder and pursuing this action. Plaintiff has
26 employed the law firm of Buchalter, a Professional Corporation, for the purpose of
27 instituting and prosecuting this action.

28 ///

SIXTH CLAIM FOR RELIEF

Breach of Exeter Guaranty

(By L.P.E. Against Defendant)

67. Plaintiff realleges and incorporates by this reference each and every allegation contained in paragraphs 1 through 66, inclusive, of this Complaint, as though set forth fully in this Claim for Relief.

68. L.P.E. is landlord under the lease described by the parties as follows (“Exeter Lease”):

[T]hat certain Amended and Restated Lease dated as of November 3, 2010, by and between L.P.E., a New Hampshire general partnership (“Landlord”), as landlord, and SUNBRIDGE HEALTHCARE, LLC, a New Mexico limited liability company (as “Tenant”), as tenant, as amended by (i) that certain First Amendment to Amended and Restated Lease dated June 20, 2012; (ii) that certain Second Amendment to Amended and Restated Lease dated December 1, 2012; (iii) that certain Third Amendment to Amended and Restated Lease dated February 2, 2015; (iv) that certain Fourth Amendment to Amended and Restated Lease dated July 29, 2016; (v) that certain Fifth Amendment to Amended and Restated Lease dated May 5, 2017; and (vi) that certain Sixth Amendment to Amended and Restated Lease dated as of March 6, 2018 (as amended, the “Lease”).

69. Defendant is the Guarantor of the Exeter Lease under the corresponding guaranty described by the parties as follows (“Exeter Guaranty”):

[T]hat certain Third Amended and Restated Guaranty of Master Lease dated as of May 5, 2017, executed by GENESIS HEALTHCARE, INC. (f/k/a Skilled Healthcare Group, Inc.), a Delaware corporation (“Guarantor”), as subsequently amended...

A true and correct copy of the Exeter Guaranty is attached hereto as Exhibit G.

70. The operative terms of the Exeter Guaranty are identical to those of the HUD-3 Guaranty. As such, L.P.E. refers to paragraphs 20 through 24 and incorporates them herein by this reference.

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71. L.P.E. has performed all the promises, covenants, and conditions it agreed to perform in accordance with the terms of the Exeter Guaranty, except for those promises, covenants, and conditions excused by the acts or omissions of Defendant.

72. On June 12, 2023, L.P.E. sent a “Notice of Event of Default, Demand for Payment under Lease and Reservation of Rights,” to the tenant and Defendant, as Guarantor, indicating that certain events of default had occurred, including, but not limited to, that tenant had failed to pay base rent owed, and, as applicable, real estate tax impounds and other impound deposits required under each lease, for a total amount due in owing of \$331,565.78.

73. Defendant breached the Exeter Guaranty by failing to cure the tenant’s default within ten days of service of the notice, as required under Section 9 of the Exeter Guaranty.

74. As a result of Defendant’s breach of the Exeter Guaranty, L.P.E. has been damaged in a sum of not less than \$566,131.27, which includes base rent, escrows, late fees, and interest through August 1, 2023.

75. The Exeter Guaranty provides that Plaintiff is entitled to its reasonable attorneys’ fees and related legal expenses, costs of collection, and costs of court, incurred in enforcing its rights thereunder and pursuing this action. Plaintiff has employed the law firm of Buchalter, a Professional Corporation, for the purpose of instituting and prosecuting this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendant as follows:

1. For damages in damages in an amount to be proven at trial, but no less than \$5,978,008.12, calculated as follows:

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Guaranty	Amounts Owed Through August 1, 2023
HUD-3 Guaranty	\$1,415,653.81
Bedford Hills Guaranty	\$740,740.63
Elms Center Guaranty	\$1,827,805.81
Dover Guaranty	\$839,370.82
Keene Guaranty	\$588,305.79
Exeter Guaranty	\$566,131.27
Total	\$5,978,008.12

2. For pre-judgment interest at the maximum legal rate, as provided by the laws of California;

3. For reasonable attorneys' fees and costs incurred in this action and as allowed for by contract; and


4. For such other and further relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL. Plaintiffs further request a Jury Trial, pursuant to Local Rule 38-1.

DATED: August 16, 2023

BUCHALTER
A Professional Corporation

By: _____


ERIC KENNEDY
PAUL BELVA
Attorneys for Plaintiffs